



PSC NEWS

Missouri Public Service Commission

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FY-02-128

PSC APPROVES WATER TERRITORIAL AGREEMENT

Jefferson City (February 20, 2002)---The Missouri Public Service Commission has approved a water territorial agreement between the City of Pacific, Missouri and Public Water Supply District No. 3 of Franklin County which sets out the boundaries of their respective water service areas in part of Franklin County.

The Commission determined, based upon a thorough review of the evidence presented, that the territorial agreement will: preclude any destructive competition; enable the parties to plan for future water service and enable prospective customers to know who their provider will be; and provide that adequate service is given to customers in each of the exclusive service areas. In addition, it was determined that the territorial agreement is not detrimental to the public interest. Customers being switched will experience a rate decrease.

The Commission's order states: "The Commission finds that approval of the territorial agreement will avoid future duplication of services and undue cost to customers. The Commission finds that the joint applicants are capable of adequately and safely providing the water supply, service, and maintenance needs of the customers in their service areas as designated in the proposed territorial agreement. The Commission further finds that the overall effect of the proposed territorial agreement would not be harmful to ratepayers, that the territorial agreement would promote efficiency and safety, and that the territorial agreement would reduce customer dissatisfaction."

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Case No. WO-2002-226